

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN**

In re

CITY OF DETROIT, MICHIGAN,

Debtor.

)
) Chapter 9
)
) Case No. 13-53846
)
) Hon. Steven W. Rhodes
)
)
)

**SUPPLEMENTAL OBJECTION TO
CONFIRMATION OF THE SIXTH AMENDED PLAN FOR
THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT**

The parties in interest identified in footnote 1 (collectively, the “Objectors”)¹, hereby supplement their respective objections [ECF Nos. 4653, 4660 and 6674] to confirmation of the Sixth Amended Plan for the Adjustment of Debts of the City of Detroit (the “Amended Plan”) and respectfully represent as follows:²

1. Article IV, Section K of the Amended Plan provides that as of the Effective Date, the COPs and COP Documents shall be automatically cancelled, terminated and of no further force or effect against the City, as such may be applicable depending on the documents and relationships to the City, *except* for certain specified reasons including, but not limited to: (i) allowing for the Disbursing Agent to make any Distributions, (ii) preserving the priority in payment provisions contained in the COPs Documents and rights of any trustee, agent, contract administrator or similar entity under the COPs Documents, (iii) to set forth the rights of the

¹ The parties in interest submitting this Supplemental Objection are Financial Guaranty Insurance Company, Dexia Crédit Local and Dexia Holdings, Inc., Panning Capital Management, LP, on behalf of funds and accounts managed by it, Monarch Alternative Capital LP, on behalf of funds and accounts managed by it, Bronze Gable, LL.C., Aurelius Capital Management, LP, on behalf of its managed entities, Stone Lion Capital Partners L.P., on behalf of funds and accounts managed by it, BlueMountain Capital Management, LLC, on behalf of funds and accounts managed by it and Deutsche Bank AG, London.

Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan.

² The Objectors are currently negotiating language with the City that may resolve the issue presented in this Supplemental Objection. The Objectors will continue to negotiate toward a consensual resolution and this Supplemental Objection is being filed out of an abundance of caution.

applicable parties to the COP Documents other than the City, and (iv) to preserve any claims of COP Holders or COP Agent under a COP Insurance Policy or against any COP Insurer.

2. Article IV, Section K also provides that “Notwithstanding the foregoing, and except as otherwise expressly provided in the Plan, such Bonds, Bond Documents, COPs or COP Documents as remain outstanding shall not form the basis for the assertion of any Claim against the City.”

3. Out of an abundance of caution, the Objectors hereby object to the Amended Plan to the extent that it purports to impact, reduce, diminish, modify or affect in any way (i) the defenses, claims, counterclaims, or third-party claims that have been or may be asserted by the COP Agent, COP Contract Administrator, COP Insurer, or a Holder of a 2005 COP or 2006 COP (the “COPs Parties”) in connection with the COP Litigation or any other proceeding against the City or any third party with respect to the matters set forth in the COP Litigation or (ii) the COPs Parties’ rights, after the Effective Date, to an appeal of an order entered by this Court.

WHEREFORE, the Objectors request that this Court deny confirmation for the reasons set forth in their respective objections [ECF Nos. 4653, 4660 and 6674] and herein (to the extent the Plan impairs COPs Parties’ rights as described in paragraph 3 above) and grant them such other and further relief as is just and proper.

Dated: August 25, 2014

Respectfully submitted,

/S/Alfredo R. Pérez

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Management, LP, on behalf of its managed
entities, Stone Lion Capital Partners L.P., on
behalf of funds and accounts managed by it
and BlueMountain Capital Management, LLC
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CERTIFICATION OF SERVICE

I, Regina Drouillard, hereby certify that on August 25, 2014, I served the following document:

- Supplemental Objection to Confirmation of the Sixth Amended Plan for the Adjustment of Debts of the City of Detroit

Upon: Bruce Bennett, Esq.
Attorney for Debtor
bbennett@jonesday.com

Geoffrey S. Irwin, Esq.
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Dated: August 25, 2014
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